



**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

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Order Instituting Investigation to Consider Policies to Achieve the Commission's Conservation Objectives for Class A Water Utilities.	
Application of Golden State Water Company (U 133 E) for Authority to Implement Changes in Ratesetting Mechanisms and Reallocation of Rates.	A.06-09-006
Application of California Water Service Company (U 60 W), a California Corporation, requesting an order from the California Public Utilities Commission Authorizing Applicant to Establish a Water Revenue Balancing Account, a Conservation Memorandum Account, and Implement Increasing Block Rates.	A.06-10-026
Application of Park Water Company (U 314 W) for Authority to Implement a Water Revenue Adjustment Mechanism, Increasing Block Rate Design and a Conservation Memorandum Account.	A.06-11-009
Application of Suburban Water Systems (U 339 W) for Authorization to Implement a Low Income Assistance Program, an Increasing Block Rate Design, and a Water Revenue Adjustment Mechanism.	A.06-11-010
Application of San Jose Water Company (U 168 W) for an Order Approving its Proposal to Implement the Objectives of the Water Action Plan.	A.07-03-019

**COMMENTS OF THE NATIONAL CONSUMER LAW CENTER, THE UTILITY
REFORM NETWORK, LATINO ISSUES FORUM AND DISABILITY RIGHTS
ADVOCATES ON THE CONSERVATION RATE DESIGN SETTLEMENT OF
DIVISION OF RATEPAYER ADVOCATES AND GOLDEN STATE WATER
COMPANY**

Christine Mailloux, Staff Attorney
THE UTILITY REFORM NETWORK
711 Van Ness Avenue, Suite 350
San Francisco, CA 94102
Telephone: (415) 929-8876, ext. 353
E-mail: cmailloux@turn.org

Olivia Wein
Charles Harak
Staff Attorneys
NATIONAL CONSUMER LAW CENTER
1001 Connecticut Avenue, NW, Suite 510
Washington, DC 20036-5528
Telephone: (202) 452-6252, ext. 103
Facsimile: (202) 463-9462
E-mail: owein@nclcdc.org

Melissa W. Kasnitz, Managing Attorney
DISABILITY RIGHTS ADVOCATES
2001 Center Street, Third Floor
Berkeley, California 94704-1204
Telephone: (510) 665-8644
Facsimile: 510/665-8511
TTY: (510) 665-8716
E-Mail: pucservice@dralegal.org
Dated: November 19, 2007

Enrique Gallardo, Staff Attorney
LATINO ISSUES FORUM
160 Pine Street, Suite 700
San Francisco, CA 94111
Phone: (415)547-7550
Facsimile: (415)284-7222
E-mail: enriqueg@lif.org

I. INTRODUCTION

The National Consumer Law Center, the Utility Reform Network, the Disability Rights Advocates, and the Latino Issues Forum (herein referred to collectively as “Joint Consumers”) file these comments pursuant to Rules of Practice and Procedure Rule 12.2 and the Administrative Law Judge’s ruling dated October 30, 2007.¹

On October 19, 2007, the Division of Ratepayer Advocates (“DRA”) and Golden State Water Company (“GSWC”) filed a motion to approve settlement agreement on WRAM and conservation rate design issues.

Joint Consumers focus these comments on the need for GSWC to implement aggressive notice and outreach measures to minimize GSWC’s customer confusion in the transition to conservation rates. Joint Consumers recommend ways to reach linguistically isolated/limited English speaking communities, disabled consumers and other hard to reach populations. Joint Consumers also focus on GSWC’s need to adopt critical data collection measures to monitor the effect of the adopted rate design on residential affordability and usage, and on low-income consumers in particular.

In the March 8, 2007 Scoping Memo, the Assigned Commissioner specifically asked settling parties to propose consumer education initiatives, including outreach efforts to limited English proficiency customers, and monitoring programs to gauge the effectiveness of the new rate designs.² While GSWC and DRA acknowledge this requirement in their Motion, the Settlement defers this issue until an unspecified later date.³ Joint Consumers believe that it is important for these outreach and data collection proposals to be spelled out

¹ Administrative Law Judge’s Ruling Taking Hearings on Golden State Water Company’s Amended Application Off Calendar (October 30, 2007).

² Assigned Commissioner’s Ruling and Scoping Memo at 4 (March 8, 2007).

³ Motion of the Division of Ratepayer Advocates and Golden State Water Company to Approve Settlement Agreement on WRAM and Conservation Rate Design Issues at 14 (October 19, 2007).

in detail either in a settlement or by the Commission in the final decision. Therefore, while Joint Consumers are currently conducting productive discussions on these issues with GSWC, to the extent a settlement is not reached we request that the Commission require GSWC to perform the basic outreach and monitoring requirements discussed below.

II. CONSUMERS NEED AGGRESSIVE NOTICE AND OUTREACH TO LEARN ABOUT GSWC'S NEW CONSERVATION RATES

Joint Consumers strongly believe that an aggressive notice and outreach campaign in advance of the first new bill reflecting the proposed DRA/GSWC conservation rate design is necessary to ensure that GSWC's consumers understand the changes to their bill, the reason for the changes, and how the new bill amounts are calculated. Joint Consumers do not believe that reliance on a single bill insert is enough for hard-to-reach populations. Print notices in English can pose barriers for consumers with limited English proficiency. Also, depending on font size on the insert and electronic accessibility via GSWC's website, written notice can be inaccessible to consumers with vision disabilities. Non-English speaking consumers and consumers with hearing or speech impairments seeking additional information from GSWC on the new rates will need to be able to communicate with the customer-service representatives and to receive additional information in an accessible format. It is critical that the conservation rate design notices, the call-center, and the website information about the new conservation rates be user-friendly and accessible to limited-English speaking consumers and to the disabled.

Joint Consumers are also very concerned that hard to reach populations will need more than just one notice about the new conservation rates. To increase the likelihood that hard to reach populations will be informed about GSWC's new rates, Joint Consumers also urge the

use of additional media to distribute information about the change in bill format and possible changes in rates. For example, GSWC can use targeted foreign language newspaper or radio ads or targeted flyers in areas where there is a high concentration of non-English speaking customers.⁴

Joint Consumers also believe that there are hard to reach populations who will need additional outreach measures, regardless of how many written notices are delivered. Partnering with community-based organizations (“CBOs”) that serve specific populations such as low-income, Spanish-speaking, disabled and seniors is an effective and low-cost way to distribute information and inform consumers. Joint Consumers are willing to work with GSWC to identify CBOs in their service territories. Another way to identify CBOs is to contact the energy utilities in their service territories to see which CBOs are promoting the CARE discount.⁵

Joint Consumers are engaged in discussions with GSWC on the notice and outreach issues and hope to reach an agreement on a notice and outreach plan for the proposed conservation rate design.

III. SPECIAL ISSUES REGARDING GSWC’S DISABLED CONSUMERS

In order to provide accessible communications for consumers with disabilities, the key elements that must be provided by GSWC include alternative formats (most commonly large

⁴ Cf. KEMA, Inc., Final Report on Phase 2 Low Income Needs Assessment prepared for California Public Utilities Commission at pp. 1-7 and 1-8 (September 7, 2007) (KEMA outreach recommendation 1.3.6 for the LIEE program include non-English media and CBOs and recommendation 1.3.7 notes the value of CBOs in ability to reach hard to reach customers).

⁵ *Id.*

print) for written materials, accessible websites and effective TTY service. This would be consistent with obligations the Commission has recognized for other regulated utilities.⁶

Specifically, written material regarding the new conservation rates must be available in large print, with a line in large print incorporated into the standard material indicating that the alternative format is available on request. To the extent that GSWC relies on its website as a means to provide conservation rate information to its customers, the portions of the website used for this purpose (the homepage, and intermediate links, and any pages describing the conservation rates themselves) must be accessible to customers who use screenreaders. Customers with hearing or speech impairments require accessible telecommunications; any customer service lines that customers are directed to call for information about the conservation rates must provide TTY service.⁷ Finally, GSWC should include disability-related CBOs in its service territory as partners for outreach. Not only do these organization serve a high percentage of low-income clients, they are also extremely knowledgeable about accessible communication.

The Joint Consumers and GSWC are discussing the accessibility issues in the larger notice, outreach and data collection discussions.

IV. DATA COLLECTION AND REPORTING

In order to gauge the effect of the proposed conservation rates on residential consumers, and low-income consumers in particular, Joint Consumers believe the following data points and reports are critical:

⁶ Most recently, the commission required energy utilities to ensure that information regarding CARE and LIEE are accessible to customers with disabilities. *See* D.06-12-038 at p.67.

⁷ The Commission has previously required regulated utilities to ensure that they respond to calls to their TTY lines in the same manner and with the same efficiency as they respond to voice calls. Further, the TTY number must be listed in any written material with the same prominence as other contact numbers. *See* D.06-12-038 at p.15.

1. An annual report on the conservation rate and WRAM as a supplement to GSWC's Annual Report filed with the Commission. Data under 2e, below, will be reported quarterly. The information will be subdivided into GSWC's 9 ratemaking areas. GSWC will provide copies to the Director of the Commission's Water Division, the Manager of DRA's Water Branch, and other parties on written request.
2. Conservation rate report will include the following information:
 - a. The number of customers in each customer class, with residential and non residential customers broken out.
 - b. Bi-monthly customer usage in billing units by blocks (if more than one block) separated by meter size, by ratemaking area and by customer class and the number of customers in each sub-grouping.
 - c. Bi-monthly customer usage in billing units by Blocks (if more than one block) separated by meter size, by ratemaking area, for LIRA customers and the number of customers in each sub-grouping.
 - d. Bi-monthly customers' usage for current month of the current year vs. prior year, using average customer profiles. GSWC will develop the average customer profiles.
 - e. The following information will be provided quarterly based on bi-monthly billing cycle data points:
 - i. The number of residential customer accounts.
 - ii. Number of residential customer accounts over 30 days past due.
 - iii. Dollar value of residential account over 30 days past due.
 - iv. Number of disconnection notices sent to residential customers.
 - v. Number of residential customers that have had service discontinued for non-payment.
 - vi. Number of residential customers that have had service restored after discontinuance for non-payment.
 - vii. Number of Low Income Rates Assistance (LIRA) customer accounts.

- viii. Number of LIRA customer accounts over 30 days past due.
- ix. Dollar value of LIRA customer accounts over 30 days past due.
- x. Number of disconnection notices sent to LIRA customers.
- xi. Number of LIRA customers that have had service discontinued for non-payment.
- xii. Number of LIRA residential customers that have had service restored after discontinuance for non-payment.

As discussed in the November 9, 2007 Reply Testimony of Keith Switzer, GSWC and the Joint Consumers have been able to reach an agreement on these data points and reporting schedule.⁸ The Joint Consumers are pleased with this outcome and are hopeful that a comprehensive agreement that also includes notice, outreach and accessibility for disabled consumers can be reached.

V. CONCLUSION

DRA and GSWC's proposed settlement on conservation rate design is a significant departure from the existing rate design for GSWC's consumers. There is an important underlying policy shift with the new rate design and this is a critical teachable moment for consumers, at the very least to understand that the rates are to promote water conservation. GSWC's must engage in efforts to explain the new rate design and why the rate design is changing to all their consumers, especially for their hard to reach customers. By requiring the specific data collection elements listed above and which GSWC has already stated a

⁸ Reply Testimony of Keith Switzer at 6-8 (November 9, 2007).

willingness to provide, it will be possible to track the impact of the new rate design on residential ratepayers and on low-income consumers in particular.

As noted above, Joint Consumers are in discussions with GSWC, have reached an agreement on the data collection and reporting, and hope to come to an agreement on the notice, outreach and disabled access issues. To the extent a settlement is not reached we request that the Commission require GSWC to provide the basic notice, outreach, monitoring and access for its disabled consumers as discussed above.

Dated: November 19, 2007

Respectfully submitted,

/s/ Olivia Wein

Olivia Wein, Staff Attorney

On Behalf Of The Joint Consumers

NATIONAL CONSUMER LAW CENTER
1001 Connecticut Avenue, NW, Suite 510
Washington, DC 20036-5528
Telephone: (202) 452-6252, ext. 103
Facsimile: (202) 463-9462
E-mail: owein@nclcdc.org

VERIFICATION

I, Olivia Wein, staff attorney for the National Consumer Law Center (“NCLC”), hereby verify: (1) that I am a staff attorney for NCLC and duly authorized to appear for NCLC in this proceeding; (2) that the factual statements contained in the foregoing **COMMENTS OF THE NATIONAL CONSUMER LAW CENTER, THE UTILITY REFORM NETWORK, LATINO ISSUES FORUM AND DISABILITY RIGHTS ADVOCATES ON THE CONSERVATION RATE DESIGN SETTLEMENT OF DIVISION OF RATEPAYER ADVOCATES AND GOLDEN STATE WATER COMPANY** are true to the best of my knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Signed this 19th day of November 2007 at Washington, DC.

/s/ Olivia Wein
Olivia Wein
Staff Attorney

National Consumer Law Center
1001 Connecticut Ave, Suite 510
Washington, DC 20036
202-452-6252 (voice)
202-463-9462 (facsimile)
owein@nclcdc.org

CERTIFICATE OF SERVICE

I certify that I have served a copy of the **COMMENTS OF THE NATIONAL CONSUMER LAW CENTER, THE UTILITY REFORM NETWORK, LATINO ISSUES FORUM AND DISABILITY RIGHTS ADVOCATES ON THE CONSERVATION RATE DESIGN SETTLEMENT OF DIVISION OF RATEPAYER ADVOCATES AND GOLDEN STATE WATER COMPANY**

by electronic mail to the parties in the attached service list for I. 07-01-022 and by first class mail to all known parties of record who did not provide electronic mail addresses.

November 19, 2007 at Washington, DC.

/s/ Olivia Wein
Olivia Wein, staff attorney

National Consumer Law Center
1001 Connecticut Ave, Suite 510
Washington, DC 20036
202-452-6252 (voice)
202-463-9462 (facsimile)
owein@nclcdc.org

Email Address List for Proceeding I0701022 (last changed November 16, 2007)

charak@nclc.org
jlkiddoo@swidlaw.com
owein@nclcdc.org
ataketa@fulbright.com
tkim@rwglaw.com
debershoff@fulbright.com
fyanney@fulbright.com
ed@parkwater.com
leigh@parkwater.com
rdiprimio@valencia.com
bobkelly@bobkelly.com
dadelloso@sgvwater.com

tjryan@sgvwater.com
rkmoore@gswater.com
kswitzer@gswater.com
nancitran@gswater.com
Kendall.MacVey@BBKlaw.com
cmailloux@turn.org
jhawks_cwa@comcast.net
marcel@turn.org
nsuetake@turn.org
mpo@cpuc.ca.gov
mlm@cpuc.ca.gov
ndw@cpuc.ca.gov
enriqueg@lif.org
jguzman@nossaman.com
lweiss@steefel.com
Ldolqueist@steefel.com
sleeper@steefel.com
mmattes@nossaman.com
lex@consumercal.org
pucservice@dralegal.org
pucservice@dralegal.org
dstephens@amwater.com
pschmiege@schmiegelaw.com
sferraro@calwater.com
lmcghee@calwater.com
broeder@greatoakswater.com
palle_jensen@sjwater.com
bill@jbsenergy.com
jeff@jbsenergy.com
demorse@omsoft.com
darlene.clark@amwater.com
bdp@cpuc.ca.gov
dsb@cpuc.ca.gov
trh@cpuc.ca.gov

fic@cpuc.ca.gov
jcp@cpuc.ca.gov
jlg@cpuc.ca.gov
jws@cpuc.ca.gov
llk@cpuc.ca.gov
lwa@cpuc.ca.gov
phh@cpuc.ca.gov
smw@cpuc.ca.gov
tfo@cpuc.ca.gov

First Class U.S. Mail:

MICHAEL L. WHITEHEAD
SAN GABRIEL VALLEY WATER CO.
PO BOX 6010
EL MONTE, CA 91734